REMARKS

Claims 1 - 16 are pending in the application. Claims 1 - 16 have been rejected.

Claims 8-9 and 11-13 stand rejected under 35 U.S.C. § 112, second paragraph. Claims 8, 9, 11 and 12 have been amended to show how their respective elements relate to the method steps of claim 2.

Claims 1stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Beauchesne, U.S. Patent No. 6,128,626 (Beauchesne) in view of Hendrick, et al. "Production/Operations Management," Richard D. Irwin, Inc., 1985, Chapter 11, pages 226-244 (Hendrick). Claims 2-8 and 10-16 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Hendrick in view of Beauchesne. Claim 9 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Hendrick in view of Beauchesne and in further view of Baseman et al., U.S. Publication No. 2002/0147666 (Baseman). These rejections are respectfully traversed.

The present invention, as set forth by independent claim 1, relates to a computer implemented method of identifying potential risk due to potential disruptions in material supply to a manufacturing facility. The method includes identifying a component for an assembled product, the component being purchased from a supplier, where identifying the component includes identifying the supplier and a manufacturer's part number of the component, storing an identity of the component, and identifying potential risk due to potential disruptions in material supply of the component.

The present invention, as set forth by independent claim 2, relates to a computer implemented method of identifying potential risk due to potential disruptions in material supply to a manufacturing facility. The method includes determining a set of components for an assembled product, storing the set of components, determining a set of sub-components for the set of components; storing the set of sub-components, combining the set of components and the set of sub-components, and identifying potential risk due to potential disruptions in material supply of a component from the set components and the set of sub-components.

Beauchesne relates to storing information pertaining to manufacturing assembly information which may be combined to produce a bill of materials document. More specifically, Beauchesne discloses a database which contains table structures for storing a product directory index and a number of product related information entries, which are used to generate a bill of materials document for a particular user designated customer product. Beauchesne also discloses a selection menu facility component and a data selection component. The selection menu facility component enables an operator to access the product directory index for obtaining a number of key information values pertaining to a particular printed circuit board assembly. These values are used by the data selection component in searching and extracting from the database tables as a function of the states of predefined key values contained in the table entries, all of the pertinent information entries needed to generate and display a bill of materials document.

Hendrick relates to material requirements planning (MRP) in the context of production management. Hendrick discloses bills of materials and product structure trees. (See e.g., Hendrick p. 230, 231 and Figure 11-3.) Hendrick further discloses requirements of a data base that is used for material requirements planning.

The Examiner cites to pages 229 and 230 of Hendrick to when setting forth that Hendrick discloses identifying potential risk due to potential disruptions in supply of a component. This portion of Hendrick discusses independent and dependent demand. For example, Hendrick sets forth:

> if we recognize the independent-dependent demand relationships between the finished products and components, then we can *calculate how many* of these dependent items we need if we know how many finished file cabinets and spare handles are call for from the master production schedule. For example, if our master schedule calls for 500 finished and packed cabinets, then we can *calculate* that we need 1,000 painted drawers – or perhaps 1,050, if the scrap rate on this part is 5 percent. (Hendrick, Page 229, emphasis in original.)

This portion of Hendrick also discusses lead times. For example, Hendrick sets forth:

> Since lead times for internal manufacture and for purchased items can differ widely, the timing, or *when* questions, require methods to coordinate and manage lead times in an efficient way so that the right materials and parts are available at the right times – not too late, and not too early. For if they are too late, production is held up, capacity is idle, and

> orders are late. If materials arrive too early, unnecessary inventory carrying costs are incurred. (Hendrick, Page 230, emphasis in original.)

However, while Hendrick discloses independent and dependent demand as well as lead times, Hendrick does not disclose *identifying* potential risk due to potential *disruptions in continuity of material supply* of a component, as required by claim 1, or of a component from a set of components and a set of sub-components, as required by claim 1.

Baseman discloses a value-based framework for managing inventory which allows firms to set risk and return targets for inventory related capital investments and operational management. A set of possible inventory investments is generated, and a value of possible inventory investments is then computed. The value of possible inventory investments is computed by first decomposing cash flows associated with the inventory investment into a combination of cash flows that can be represented by a portfolio comprised of long and short positions in an underlying asset. Then a valuation methodology is used to compute the value of each long and short position in the portfolio. The values of each long and short position in the portfolio is summed to determine a value of the portfolio. The value of the inventory investment is set equal to the value of the portfolio. An inventory investment with a best value is selected.

Beauchesne, Hendrick, and Basesman, taken alone or in combination, do not teach or suggest a computer implemented method of identifying potential risk due to potential disruptions in material supply to a manufacturing facility where the method includes identifying a supplier and a manufacturer's part number of the component, and identifying potential risk due to potential disruptions in material supply of the component, all as required by claim 1. Accordingly, claim 1 is allowable over Beauchesne, Hendrick, and Basesman.

Beauchesne, Hendrick, and Basesman, taken alone or in combination, do not teach or suggest a computer implemented method of identifying potential risk due to potential disruptions in material supply to a manufacturing facility where the method includes identifying potential risk due to potential disruptions in material supply of a component from the set components and the set of sub-components, all as required by claim 2. Accordingly, claim 2 is allowable over Beauchesne, Hendrick, and Basesman. Claims 3 - 16 depend from claim 2 and are allowable for at least this reason.

CONCLUSION

In view of the amendments and remarks set forth herein, the application is believed to be in condition for allowance and a notice to that effect is solicited. Nonetheless, should any issues remain that might be subject to resolution through a telephonic interview, the examiner is requested to telephone the undersigned.

The Commissioner is authorized to deduct any additional fees which may be necessary and to credit any overpayment to Deposit Account No. 502264.

I hereby certify that this correspondence is being electronically submitted to the COMMISSIONER FOR PATENTS via EFS on August 31, 2006.

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